

for the payment of principal and interest of the bonds; such population of counties, cities and towns shall be determined by the last preceding Federal census, but in the case of school districts shall be determined by the commission.

SEC. 6. That no such securities shall be purchased at more than the market price thereof, nor sold at less than the market price thereof. No securities shall be purchased except bonds of the United States or bonds or notes of the State of North Carolina unless the vendor shall deliver with the securities the opinion of an attorney believed by the commission to be competent and to be recognized by investment dealers as an authority upon the law of public securities, to the effect that the securities purchased are valid obligations and are securities which the commission is authorized to purchase, it being the intention of this requirement to assure the commission not only that such securities are valid and eligible for purchase under this act but that the same shall not be unsalable by the commission because of doubts as to the validity thereof. The commission is empowered to appoint one or more of its members for the purpose of making purchases and sale of securities.

Price of
securities.

SEC. 7. That the interest and revenues received upon securities held for any sinking fund and any profit made on the resale thereof shall become and be a part of such sinking fund. Bonds and notes of the State of North Carolina purchased for any sinking fund shall not be canceled before maturity, but shall be kept alive, and the interest and principal thereof shall be paid into the sinking fund for which the same are held.

Interest and
revenues to be
part of sinking
fund.

SEC. 8. That where practicable securities purchased for sinking funds shall be registered as to the principal thereof in the name of "The State of North Carolina for the sinking fund for" (here briefly identify the sinking fund) and may be released from such registration by the signature of the State Treasurer, but the treasurer shall not make such release unless and until the securities to be so released shall have been sold by the commission or until the commission shall have ordered such release. The treasurer shall rent a safety deposit box or boxes in some responsible bank in Raleigh in which he may keep all securities purchased for sinking funds and in which it shall be his duty to keep all such securities not registered as to the principal thereof.

Registering of
securities.

SEC. 9. The necessary expense of the commission for the rental of a safety deposit box, publication of advertisements, postage, insurance upon securities in transit, etc., not exceeding one-twentieth of one per cent of the amount in all sinking funds at the end of any fiscal year, shall be a charge upon the general fund.

Expense of
commission.